Arkansas Crime Victims Reparations Board

Rule changes submitted for final approval

July 15, 2004

ACVRB Rule No. 10(2)

New Rule

- 2. Compensation for funeral expenses of deceased victims may not exceed \$7,500.
 - a. Collateral sources of income such as burial policies, workers' compensation, etc. will be applied towards the total cost of the victim's funeral.
 - b. Life insurance may not be used as a collateral source when dependents of the deceased victim remain and may benefit from the proceeds of this policy.
 - c. Life insurance will be utilized as a collateral source and be applied against funeral expenses in those cases involving no surviving dependents.

ACVRB Rule No. 12(7)(8)

New Rule

- 7. The Board shall make a decision regarding the claim. The claimant/victim shall be mailed notification of the decision within fifteen (15) calendar days by mail. If the claim is denied the claimant/victim will be notified be certified mail, return receipt requested.
- **8.** The claimant shall have the right to appeal decisions of the Board in the manner set forth in Rule No. 14, APPEALS PROCEDURE.

ACVRB Rule No. 24

New Rule

If at the time of the application, the victim or claimant was unable to submit all of the itemized bills, he/she may submit supplemental bills to be considered after the original award. If a victim or claimant has been awarded their original claim at a reduced amount due to contribution, then the Board will note at the time of approval whether or not they will consider any supplemental awards concerning this claim. If the Board determines that supplemental awards will not be considered after the initial award, the Board shall so note at the time of the initial award. Each case will be considered on its own merits.

The total of the original award and any and all supplemental awards may not exceed \$10,000.

Supplemental awards may be paid quarterly.

Supplemental bills will be considered only if submitted within one (1) year of:

a. the date of treatment, or notification of payment or denial by a collateral source.



THE ATTORNEY GENERAL STATE OF ARKANSAS MIKE BEEBE

Department: <u>Attorney General's Office – Community Relations</u>

Division: <u>Crime Victims Reparations Board</u>

Person Completing Statement Mica Strother-Hicks

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FINANCIAL IMPACT STATEMENT

To comply with Act 1104 of 1995, please complete the following Financial Impact Statement and file with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE:

ACVRB Rule No. 10(2) – Maximum Compensation Amounts and Methods of Payment

ACVRB Rule No. 12(7)(8) – Application Review Procedure

ACVRB Rule No. 24 – Supplemental Awards

1. Does this proposed, amended, or repealed rule or regulation have a financial impact?

Yes X No

2. If you believe that the development of a financial impact statement is so speculative as to be cost prohibited, please explain.

N/A

3. If the purpose of this rule or regulation is to implement a federal rule or regulation, please give the incremental cost for implementing the regulation.

N/A

4. What is the total estimated cost by fiscal year to any party subject to the proposed, amended, or repealed rule or regulation? Identify party subject to the proposed regulation, and explain how they are affected.

Fiscal Year 2002-2003

Fiscal Year 2004-2005

40 at \$5000 = \$200,000

40 at \$7500 = \$300,000

- In fiscal year 2002-2003, 40 funeral claims were paid out at the maximum \$5000 cap. If we make the assumption that of these 40 claims, the \$5000 that the Board paid was not payment in full, and had there been a higher cap, the board would have paid a full \$7500, then the total increase in cost by fiscal year would be \$100,000.
- 5. What is the total estimated cost by fiscal year to the agency to implement this regulation?

None